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C O N F I D E N T I A L CARACAS 000525

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DEPARTMENT FOR ISN, T, AND NEA
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E.O. 12958: DECL: 04/08/2018
TAGS: [ECON](#) [EFIN](#) [EINV](#) [ETRD](#) [PARM](#) [PREL](#) [KNNP](#) [MNUC](#) [IR](#) [VE](#)
SUBJECT: DEMARCHE DELIVERED: IMPLEMENTATION OF THE
FINANCIAL PROVISIONS OF UNSCR 1803

REF: A. STATE 29096
[B](#). 2007 CARACAS 2203
[C](#). 2007 CARACAS 1867

Classified By: Acting Economic Counselor Shawn Flatt for reasons 1.4 (b)
) and (d).

[1](#). (C) Acting EconCouns and Econoff delivered ref A demarche and associated non-paper to Francisco Canela, head of the Financial Intelligence Unit (UNIF) of the Superintendency of Banks (SUDEBAN), on April 11. Canela repeated past assurances (ref B) that all banks operating in Venezuela were subject to Venezuelan laws designed to counter terrorist financing and money laundering. He added that the Banco Internacional de Desarrollo, an Iranian bank that had received permission to operate in Venezuela (ref C), was still in the process of completing the paperwork required before operations could begin. Among the outstanding items, he continued, were completion of a strategic plan to counter money laundering and terrorist finance and designation of an internal control officer responsible for ensuring that the bank was meeting requirements in these areas. (Note: Canela's statement that the Iranian bank was not yet operational is at odds with the January 2008 bulletin of SUDEBAN, which lists the Banco Internacional de Desarrollo as a universal bank with assets of 41 million bolivars (USD 19 million at the official exchange rate). An employee of the Venezuelan Banking Association told Econoff on April 9 that he believed that the bank had opened an account at the Central Bank and that it had applied via communication from a Mr. Rahim Faramarzi to join the Banking Association. End note.)

[2](#). (C) Econoff stressed to Canela that, given the deceptive practices used by Iranian banks and entities, regulators and banks in Venezuela should apply enhanced due diligence to any transactions involving Iranian entities, even going beyond what was required by Venezuelan law. Canela replied that he understood the potential for Iranian banks abroad to be used in transferring funds for terrorist purposes; that he planned to require the Banco Internacional de Desarrollo to submit a complete list of its clients to UNIF; and that UNIF would closely scrutinize this list. Canela added that he understood from other Venezuelan banks that they had no intention of doing any business with the Iranian bank for fear of violating Patriot Act provisions.

[3](#). (C) Post provided the same non-paper to Yaneth Arocha, Director of the MFA's Office of North American Affairs. No substantive response is expected from the MFA.
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